

COMMITTEE ON HEALTH & HUMAN SERVICES
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2176
(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 36-420.05, Arizona Revised Statutes, is amended
3 to read:

4 36-420.05. Legal action or sale; effect on licensure; rules

5 A. The director may continue to pursue any court, administrative or
6 enforcement action against a licensee even if the health care institution
7 is in the process of being sold or transferred or has closed.

8 B. The department may deny an application for a health care
9 institution license if either:

10 1. The applicant, the licensee or a controlling person has a health
11 care institution license that is in an enforcement action or court action
12 related to the health and safety of the residents or patients.

13 2. The department has determined for reasons other than those
14 specified in paragraph 1 of this subsection that the issuance of a new
15 license is likely to jeopardize resident or patient safety.

16 C. The department may deny the approval of a change in ownership of
17 a currently licensed health care institution if the department determines
18 that the transfer of ownership, whether involving a direct owner or
19 indirect owner, may jeopardize patient safety.

20 D. THE DEPARTMENT SHALL ADOPT RULES OUTLINING THE EVALUATION PROCESS
21 FROM WHICH THE DIRECTOR WILL MAKE A DETERMINATION UNDER THIS SECTION.

1 Sec. 2. Section 36-424, Arizona Revised Statutes, is amended to
2 read:

3 36-424. Inspections; suspension or revocation of license;
4 report to board of examiners of nursing care
5 institution administrators and assisted living
6 facility managers

7 A. Except as provided in subsection B of this section, the director
8 shall inspect the premises of the health care institution and investigate
9 the character and other qualifications of the applicant to ascertain
10 whether the applicant and the health care institution are in substantial
11 compliance with the requirements of this chapter and the rules established
12 pursuant to this chapter. The director may prescribe rules regarding
13 department background investigations into an applicant's character and
14 qualifications.

15 B. The director ~~may~~ **SHALL** accept proof that a health care
16 institution is an accredited hospital or is an accredited health care
17 institution in lieu of all compliance inspections required by this chapter
18 if the director receives a copy of the health care institution's
19 accreditation report for the licensure period and the health care
20 institution is accredited by an independent, nonprofit accrediting
21 organization approved by the secretary of the United States department of
22 health and human services. If the health care institution's accreditation
23 report is not valid for the entire licensure period, the department may
24 conduct a compliance inspection of the health care institution during the
25 time period the department does not have a valid accreditation report for
26 the health care institution. For the purposes of this subsection, each
27 licensed premises of a health care institution must have its own
28 accreditation report. The director may not accept an accreditation report
29 in lieu of a compliance inspection of:

30 1. An intermediate care facility for individuals with intellectual
31 disabilities.

1 2. A nursing-supported group home.

2 3. A health care institution if the health care institution has been
3 subject to an enforcement action pursuant to section 36-427 or 36-431.01
4 within the year preceding the annual licensing fee anniversary date.

5 C. On a determination by the director that there is reasonable cause
6 to believe a health care institution is not adhering to the licensing
7 requirements of this chapter, the director and any duly designated employee
8 or agent of the director, including county health representatives and
9 county or municipal fire inspectors, consistent with standard medical
10 practices, may enter on and into the premises of any health care
11 institution that is licensed or required to be licensed pursuant to this
12 chapter at any reasonable time for the purpose of determining the state of
13 compliance with this chapter, the rules adopted pursuant to this chapter
14 and local fire ordinances or rules. Any application for licensure under
15 this chapter constitutes permission for and complete acquiescence in any
16 entry or inspection of the premises during the pendency of the application
17 and, if licensed, during the term of the license. If an inspection reveals
18 that the health care institution is not adhering to the licensing
19 requirements established pursuant to this chapter, the director may take
20 action authorized by this chapter. Any health care institution, including
21 an accredited hospital, whose license has been suspended or revoked in
22 accordance with this section is subject to inspection on application for
23 relicensure or reinstatement of license.

24 D. The director shall immediately report to the board of examiners
25 of nursing care institution administrators and assisted living facility
26 managers information identifying that a nursing care institution
27 administrator's conduct may be grounds for disciplinary action pursuant to
28 section 36-446.07.

1 Sec. 3. Title 36, chapter 4, article 2, Arizona Revised Statutes, is
2 amended by adding sections 36-424.01, 36-424.02 and 36-424.03, to read:

3 36-424.01. Complaint investigations; basis of complaints;
4 notification; priority matrix; statement of
5 deficiencies

6 A. WHEN ENTERING A HEALTH CARE INSTITUTION FOR AN INVESTIGATION
7 RELATED TO A COMPLAINT FILED WITH THE DEPARTMENT, THE DEPARTMENT SHALL
8 NOTIFY THE LICENSEE OF THE NATURE OF THE COMPLAINT. THE DEPARTMENT SHALL
9 ENSURE THAT THE NOTICE DOES NOT INCLUDE PROTECTED HEALTH INFORMATION OR
10 INFORMATION THAT MAY IDENTIFY THE COMPLAINANT.

11 B. THE DEPARTMENT SHALL PROVIDE A PRIORITY MATRIX FOR COMPLAINTS
12 FILED AGAINST HEALTH CARE INSTITUTIONS ON THE DEPARTMENT'S PUBLIC WEBSITE
13 WITH A LINK TO THE RULES THAT GOVERN THE COMPLAINT PROCESS. THE PRIORITY
14 MATRIX SHALL DETAIL THE FOLLOWING:

- 15 1. THE VARIOUS LEVELS OF COMPLAINTS.
16 2. THE PROCESS FOR DETERMINING THE COMPLAINT LEVEL ASSIGNMENT.
17 3. THE TIME FRAMES FOR INITIATING A COMPLAINT INVESTIGATION.

18 C. BEFORE CONDUCTING A COMPLAINT INVESTIGATION, THE DEPARTMENT SHALL
19 DISCLOSE TO THE LICENSEE:

- 20 1. THE LEVEL OF THE COMPLAINT.
21 2. ALL DOCUMENTS THAT AFFECT THE INTERNAL PROCEDURES OF THE
22 DEPARTMENT OR THAT IMPOSE ADDITIONAL REQUIREMENTS OR PENALTIES ON
23 LICENSEES.

24 D. THE DEPARTMENT SHALL INCLUDE IN A STATEMENT OF DEFICIENCIES THAT
25 IS ISSUED FOLLOWING A STATE SURVEY OR COMPLAINT INVESTIGATION THE CITATION
26 FOR THE STATUTE OR RULE THAT APPLIES TO EACH IDENTIFIED DEFICIENCY.

27 36-424.02. Statement of deficiencies; informal dispute
28 resolution; written decision

29 A. IF A LICENSEE RECEIVES A STATEMENT OF DEFICIENCIES FOLLOWING A
30 STATE SURVEY OR COMPLAINT INVESTIGATION AND THE LICENSEE WISHES TO DISPUTE
31 ANY OF THE IDENTIFIED DEFICIENCIES, THE LICENSEE, DURING THE INFORMAL
32 DISPUTE RESOLUTION PROCESS, SHALL INDICATE TO THE DEPARTMENT EACH
33 DEFICIENCY THE LICENSEE IS DISPUTING AND PROVIDE:

1 1. A DETAILED EXPLANATION OF WHY THE LICENSEE BELIEVES THE
2 INFORMATION CONTAINED IN THE STATEMENT OF DEFICIENCIES IS INACCURATE.

3 2. A REQUEST FOR THE INFORMATION TO BE CORRECTED OR RESCINDED.

4 3. ANY SUPPORTING DOCUMENTATION THAT EXPLAINS THE REASON THE
5 DEFICIENCY SHOULD BE RESCINDED.

6 B. THE DEPARTMENT SHALL REVIEW THE INFORMATION AND DOCUMENTATION
7 PROVIDED BY THE LICENSEE PURSUANT TO SUBSECTION A OF THIS SECTION WITHIN
8 TEN BUSINESS DAYS AFTER RECEIVING THE INFORMATION AND RENDER A WRITTEN
9 DECISION. THE WRITTEN DECISION SHALL STATE WHETHER THE LICENSEE'S REQUEST
10 IS APPROVED OR DENIED AND SHALL CONTAIN A DETAILED EXPLANATION OF THE
11 APPROVAL OR DENIAL FOR EACH DEFICIENCY CONTAINED IN THE DISPUTE.

12 C. IF THE DEPARTMENT APPROVES THE REMOVAL OF ALL DEFICIENCIES FROM
13 THE STATEMENT OF DEFICIENCIES DURING THE INFORMAL DISPUTE RESOLUTION
14 PROCESS, THE DEPARTMENT SHALL CLOSE THE COMPLAINT.

15 36-424.03. Surveyors and supervisors; annual training program;
16 objectives

17 A. THE DEPARTMENT SHALL IMPLEMENT AN ANNUAL TRAINING PROGRAM FOR ALL
18 LICENSING SURVEYORS AND THE SUPERVISORS AND MANAGERS OF LICENSING SURVEYORS
19 TO ENSURE COMPLIANCE WITH THIS CHAPTER.

20 B. THE TRAINING PROGRAM SHALL INCLUDE MODULES THAT TRAIN SURVEYORS
21 AND THE SUPERVISORS AND MANAGERS OF LICENSING SURVEYORS ON THE FOLLOWING:

22 1. THE DEPARTMENT'S GOVERNING POLICIES AND PROCEDURES AND THE
23 STATUTES AND RULES FOR WHICH THE EMPLOYEE IS RESPONSIBLE.

24 2. HOW TO ASCERTAIN WHETHER A COMPLAINT OR GRIEVANCE FILED WITH THE
25 DEPARTMENT SHOULD RESULT IN OPENING A COMPLAINT INVESTIGATION UNDER THIS
26 CHAPTER.

27 3. HOW TO ACT IN A PROFESSIONAL MANNER WITH AN EMPHASIS ON DIGNITY
28 AND RESPECT.

29 4. THE IMPORTANCE OF CLEAR AND TRANSPARENT COMMUNICATION WITH
30 LICENSEES.

31 C. THE DEPARTMENT SHALL IMPLEMENT AN ANNUAL PROCESS FOR ALL
32 LICENSING SURVEYORS AND THE SUPERVISORS AND MANAGERS OF LICENSING SURVEYORS
33 TO DEMONSTRATE PRACTICAL KNOWLEDGE AND UNDERSTANDING OF THE FOLLOWING:

1 1. THE DEPARTMENT'S GOVERNING POLICIES AND PROCEDURES AND THE
2 STATUTES AND RULES FOR WHICH THE EMPLOYEE IS RESPONSIBLE.

3 2. ASCERTAINING WHETHER A COMPLAINT OR GRIEVANCE FILED WITH THE
4 DEPARTMENT SHOULD RESULT IN OPENING A COMPLAINT INVESTIGATION UNDER THIS
5 CHAPTER.

6 3. HOW TO ACT IN A PROFESSIONAL MANNER WITH AN EMPHASIS ON DIGNITY
7 AND RESPECT.

8 4. THE IMPORTANCE OF CLEAR AND TRANSPARENT COMMUNICATION WITH
9 LICENSEES."

10 Amend title to conform

And, as so amended, it do pass

SELINA BLISS
CHAIRMAN

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